



Auckland Matters

The AA's Auckland infrastructure issues newsletter

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New Zealand Automobile Association



ISSUE 10: Rapid Transit

From the policy team



The past few years have seen a tectonic shift in the debate around rapid transit in Auckland. No longer is there any question – as there was with the City Rail Link, for instance – about whether Auckland is ready for public transport on this scale. It is now fairly and squarely a discussion about what, when, and how much.

This is a welcome change. It recognises the crucial role rapid transit has to play in the transport network – in particular, by enabling more efficient long-term land-use patterns, thereby easing congestion – and underlines Aucklanders' readiness to consider other ways of getting around. At the same time, though, there's a tendency to see rapid transit as a silver bullet solution, which it clearly is not.

The AA is right behind efforts to expand Auckland's rapid transit network, and deliver high-quality public transport. Our Members want it, the public wants it, our city needs it.

But it has to be done in a way that is affordable, that achieves value for money, and that is very clear about the benefits that are and are not going to be delivered.

The Government's delivery of rapid transit so far – in the form of light rail to the Airport – has generated public confusion and alienated many industry players. It will need to significantly lift its game.

Barney Irvine

Principal Advisor- Infrastructure

Introduction: Ready and waiting

Auckland AA Members are sold on rapid transit as a key part of Auckland's transport future, and they're keen to see the Government get on with its programme.

The onus is now on decision-makers to come up with a solution that delivers meaningful transport benefits – in terms of de-congestion and high-quality services for public transport users – at the same time as being affordable.

Auckland AA Members are willing to continue paying towards the rapid transit programme, but believe the load needs to be spread across different funding sources, and their responses suggest a readiness to

seriously consider the sale of Auckland Council assets to help meet the costs.

Current levels of support will be challenged as the costs and trade-offs become real, particularly if the Government opts for some of the more far-reaching approaches that are being considered, which could involve deploying statutory powers in new ways to support programme delivery.

Rapid transit basics

What is rapid transit?

High-speed public transport, separated from other traffic. When politicians talk rapid transit in the New Zealand context, typically they're referring to:

- Light rail (modern trams)
- Heavy rail (like Auckland's current rail network)
- Busways (like Auckland's Northern Busway)

Auckland's rapid transit network

Approx. 100km total route length (94km rail, 6km busway), accounting for around 29 million trips each year (Aucklanders make over 2 billion trips per year, across all modes).

Under construction:

- AMETI Eastern Busway, Panmure to Botany
- Northern Busway extension to Albany
- Bus/rail interchange at Puhinui Train Station – rapid transit will eventually connect the station to the Airport

What's happening with light rail?

CBD-Airport light rail by 2028 was promised prior to the 2017 election and included in the Auckland transport programme, but no concrete progress has been made.

The Government will now review two competing proposals for delivery of the project: one led by the NZ Super Fund and Canadian partner CDPQ Infra Group; the other led by NZTA. Each will involve very different approaches when it comes to design, cost and financing. A decision will be made early next year.

Meanwhile, the Government's new urban development agency (Kainga Ora – Homes and Communities) allows greater powers when it comes to consenting and land acquisition processes for large-scale transport projects, like rapid transit.

Light rail from the CBD to the Northwest was also included in the 10-year transport programme, but doubts have since been raised about whether it will proceed.

Key findings

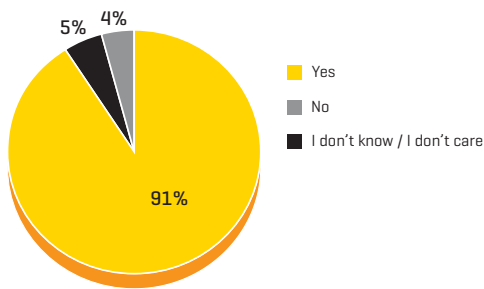
In August and September 2019, over 1,600 Auckland AA Members took part in a survey that covered views and expectations around the development of Auckland's rapid transit network. Respondents came from all over Auckland and were aged 18 and older.

Here's what they told us:

1 Rapid transit a winner

There is a very strong desire among Auckland AA Members to see their city equipped with a high-quality rapid transit system. Just over 90% of respondents said they like the idea of expanding Auckland's rapid transit network, with high levels of support regardless of where respondents live in the city. Many expressed frustration with the lack of action on rapid transit to date, relative to the amount of political talk.

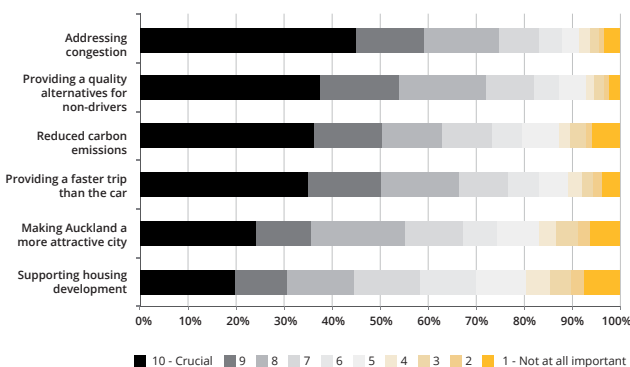
Do you like the idea of expanding Auckland's rapid transit network



2 De-congestion the key...

People value rapid transit for a range of transport, environmental and place-making reasons, but first and foremost they see it as a de-congestion solution. When asked to rate the potential benefits of rapid transit in terms of importance, de-congestion tops the list – 46% considered it crucial (10 out of 10), and another 30% considered it very important (8 or 9 out of 10).

How important are the following potential benefits of rapid transit?



3 ...and expectations high

Consequently, expectations about what rapid transit projects can deliver in terms of de-congestion are high: 32% believed a rapid transit link to the Airport will make congestion much better, and another 34% a little better. The proportions are similar (though even higher) for a rapid transit link to the Northwest.

4 A high-quality alternative

Closely behind de-congestion, people see that rapid transit must provide appealing alternatives to car use. Providing a quality transport option for people who can't (or prefer not to) drive was seen as crucial by 38% of respondents, and another 35% said it was very important. Providing a faster trip than could be achieved by car was identified as crucial by 36% of survey respondents, and another 31% saw it as very important.

Meanwhile, when trading off speed and directness of a rapid transit service against providing a greater number of stops, survey respondents tend to favour speed.

"Hong Kong MTR Airport to City is amazing. Only makes two stops along the way. We don't want lots of stops. It needs to be fast"

- AA Member

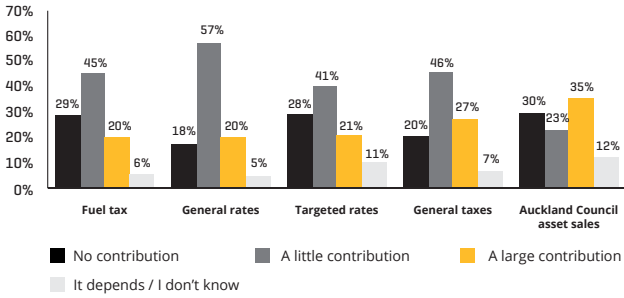
5 Willingness to pay

Respondents preferred to contribute to the construction costs of rapid transit through multiple funding sources rather than just one (the current approach is squarely focused on fuel tax). Across the existing transport funding sources (fuel tax, rates, targeted rates and general taxes), 62% or more of respondents said they supported either "a little contribution" or "a large contribution". In each case, support was far higher for a smaller contribution.

Interestingly, the funding source where there was most support for a larger contribution was a new one – the sale of Auckland Council assets. The largest group of respondents (35%) felt that asset sales should make a large

contribution to construction costs (versus 30% no contribution and 23% a small contribution).

How do you think the cost of construction of rapid transit projects should be funded?



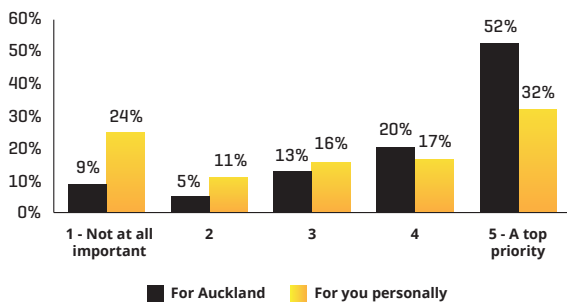
6 Good for Auckland...

Respondents see projects like rapid transit to the Airport and to the Northwest as critical for Auckland – 73% considered the CBD-Airport link to be a high priority or top priority for the city and 58% described the link to the Northwest in the same way.

7 ...but not so much for me

However, only 49% say that rapid transit to the Airport would be important for them personally, and only 32% say the same about rapid transit to the Northwest. To an extent, this appears to reflect a common international theme: many people see public transport as a great system for others to use.

How important is a CBD-Airport rapid transit link?



8 Light rail preferred, but only just

Light rail is the preferred rapid transit option for both the Airport and Northwest links, but not by much: 43% believed the Airport link should be light rail vs 36% heavy rail; 35% believed the CBD-Northwest route should be light rail vs 30% heavy rail.

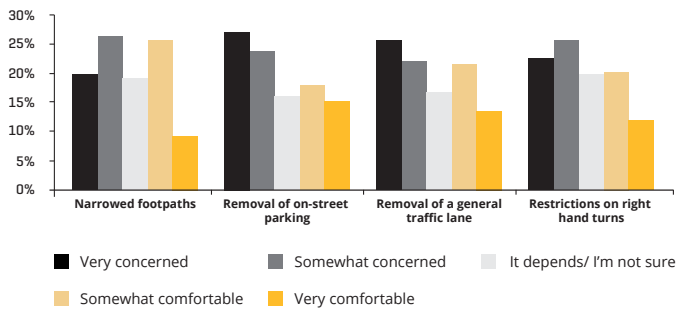
When existing modes (heavy rail and busways) are lumped together, they capture more support than light rail.

9 Light rail on Dominion Rd?

When it comes to operating rapid transit on busy arterials (as is envisaged with light rail), and dealing with the trade-offs involved, respondents are sceptical. Around 50% of people expressed concern about the prospect of permanent removal of a general traffic lane to enable rapid transit versus 36% who were comfortable (the rest were in the middle).

The proportions were similar with interventions like permanently narrowing footpaths, removing on-street parking, and restrictions on right-hand turns.

If rapid transit was built along an existing road, how would you feel about...



Unprompted, many respondents voiced doubts about the feasibility of light rail on Dominion Rd, citing construction disruption and the difficulties associated with merging the new line with general traffic. Many questioned how light rail could be “rapid” transit and felt that it would be more practical and cost-effective to utilise the existing heavy rail and bus network.

“I would prefer a heavy rail solution that is almost in place rather than a very disruptive light rail [solution]”

- AA Member

10 Yes to density

Somewhat surprisingly, the prospect of higher-density development around rapid transit stations didn’t seem to faze respondents – 35% indicated that they would be comfortable with high-rise apartments around stations, while a slightly smaller proportion said the maximum density they would be comfortable with is low-rise apartments.

Even so, housing development was the lowest-ranking potential benefit of rapid transit, with 20% describing it as crucial, and around 25% describing it as very important.

Recommendations

Here are five pieces of advice for policy-makers as they develop the rapid transit system:

1 Get the basics right

The CBD-Airport light rail project has been a case study in how not to deliver transport infrastructure: initial project decisions were made on the basis of politics over analysis, leading to confused objectives, unrealistic promises and, ultimately, failure to put together a compelling case.

The proposals that the Government is due to receive from the Super Fund and NZTA must be based on a much more robust process. That means, as a starting point, clearly identifying the desired outcomes (transport, housing, environmental or otherwise) and their relative importance, and then designing solutions based on what best delivers on those outcomes. Instead of leaping straight to light rail down Dominion Rd (or any other solution), the door must be kept open to different modes and routes. Also, the project should not be developed in isolation, but rather as part of a network-wide rapid transit plan.

2 Deliver transport benefits

Public support for the programme can only be sustained if people perceive tangible benefits, immediately and in the future. As signalled by Auckland AA Members, the focus needs to go on transport-related benefits (de-congestion and high-speed public transport services) rather than the urban regeneration benefits that have been emphasised with light rail to the Airport.

The de-congestion story needs to be front and centre, but it needs to be told honestly and responsibly. Rapid transit won't solve Auckland's congestion problems – no single project or approach will. Though important, the de-congestion benefits won't be felt for a long time (until well after construction), and even then won't be immediately discernible.

Politicians have continually positioned rapid transit as the congestion silver bullet. As long as they do so, they stand in the way of a sensible discussion about the role it will play in the network, and are paving the way for a massive public backlash when the reality falls short.

3 Affordability

The rapid transit programme must strike the right balance between delivering benefits and being affordable – affordable in the sense that it aligns with what Auckland and New Zealand can realistically and willingly pay, and that it does not crowd out investment desperately needed in other areas of the transport sector. The willingness of Auckland AA Members and the wider public to pay for rapid transit will have its limits.

As with de-congestion benefits, honesty and transparency is required around costs. Not just the scale of capex and opex costs (which will be in a different ball-park to anything seen in

New Zealand previously), but the opportunity cost when it comes to the transport infrastructure budget, and the inter-generational impacts.

New funding and financing models can help to bring projects forward and reduce upfront costs, and need to be considered. But they are not 'free money' and must not be used to divert attention from questions about whether what we are getting actually represents value for money, and whether it delivers the highest impact per dollar spent.

4 Spread the funding load

Fuel tax alone is struggling to fund the level of transport investment that New Zealand needs, and this has been exacerbated by the recent decision to bring new transport areas like rapid transit under the fuel tax funding umbrella. Relying too heavily on fuel tax to fund rapid transit risks starving the rest of the rest of the transport sector of much-needed investment, and the load needs to be shared by the other existing sources (rates, targeted rates and general taxes).

At the same time, new sources must be seriously looked at. Our survey results suggest that, with potentially game-changing infrastructure, the public may well be ready for a more committed conversation than we've seen before about the sale of publicly owned assets. Opportunities for non-farebox revenue (e.g., through development around rapid transit stations), should also be explored.

5 Social licence

The expansion of Auckland's rapid transit network will open an exciting new chapter in Auckland's transport story but, depending on the approach taken, it could also take Aucklanders into new and very challenging territory. Running light rail down Dominion Rd, for instance, would entail construction disruption and long-term traffic impacts (on local and through-traffic) on an unprecedented scale. Use of Kainga Ora in specified development areas to compulsorily acquire land in order to up-zone it, sell it, and use the value uplift to help fund its rapid transit programme would be a 'next-level' use of government powers that many Aucklanders would find confronting.

Public support for rapid transit does not amount to a social licence to take such steps. The Government would first need to secure such a licence, or risk alienating and antagonising many stakeholders.

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